

# HOUSE JOINT RESOLUTION 935

By Fitzhugh

A RESOLUTION to request the United States Government to provide guidance to investors.

WHEREAS, mutual funds, pension funds, tax-favored savings plans, endowment funds, and U.S. citizens invest trillions of dollars in stocks and bonds of publicly traded companies; and

WHEREAS, the U.S. Department of State has identified and designated Iran, North Korea, Sudan, and Syria as state sponsors of terrorism; and

WHEREAS, the United States Congress has identified the government of Sudan as permitting atrocities on its citizens; and

WHEREAS, the U.S. has complex, multi-faceted, country-specific policies relative to the countries designated as terrorist sponsoring nations; and

WHEREAS, the U.S. utilizes diplomatic and economic means to encourage nations to act responsibly; and

WHEREAS, the U.S. position permitting companies to do business with such nations varies among each of the designated nations; and

WHEREAS, the U.S. permits certain business relationships in these designated countries that it believes further U.S. policy goals; and

WHEREAS, investors should not attempt to establish foreign policy goals on their own, but should support U.S. foreign policy goals; and

WHEREAS, mutual funds, pension funds, institutional investors, and individual investors should be desirous of supporting the U.S. policy goals; and

WHEREAS, it is imperative that investors be given information that identifies which domestic or international companies have acted in support of or contrary to U.S. policy goals; and

WHEREAS, the U.S. government's policies relative to these terrorist nations are under constant review and subject to changes that may range from subtle to significant; and

WHEREAS, a piecemeal approach to monitoring companies that conduct business in terrorist or oppressive nations by the investment community will not be consistent and effective; and

WHEREAS, it is the federal government's responsibility to determine whether a company is acting in support of or contrary to U.S. policy goals; and

WHEREAS, mutual funds, pension funds, other institutional investors, and individual investors need guidance to avoid potentially penalizing a company along with its shareholders and employees in situations where that company is actually acting in accordance with U.S. policy; now, therefore,

BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF THE ONE HUNDRED SIXTH GENERAL ASSEMBLY OF THE STATE OF TENNESSEE, THE SENATE CONCURRING, that this General Assembly hereby requests that the appropriate agency of the United States Government be directed to make available to all investors guidance regarding all domestic or foreign companies that are acting contrary to U.S. policy goals on humanitarian atrocities or in its war on terrorism.

BE IT FURTHER RESOLVED that any state or local officials, trustees, and employees be provided a safe harbor from action as a result of any recommendations or actions taken with the investment trust assets as a result of a company being identified as acting contrary to U.S. policy goals.

BE IT FURTHER RESOLVED that a certified copy of this resolution be transmitted to the Speaker of the U.S. Senate, the Speaker of the U.S. House of Representatives, and to each member of the Tennessee Congressional delegation.